

**Illinois Department of Revenue
Regulations**

Title 86 Part 130 Section 130.905 Interest

TITLE 86: REVENUE

PART 130

RETAILERS' OCCUPATION TAX

Section 130.905 Interest

- a) *In addition to any penalty provided for in this Act, any amount of tax which is not paid when due shall bear interest at the rate of 1% prior to September 17, 1981, and at the rate of 2% on and after September 17, 1981 and prior to January 1, 1987, and at the rate of 1.25% on and after January 1, 1987 through December 31, 1993, per month or fraction thereof from the date when such tax becomes past due until such tax is paid or a judgment therefor is obtained by the Department. Beginning January 1, 1994, any amount of tax which is not paid when due shall bear interest at the rate and in the manner specified in Sections 3-2 and 3-9 of the Uniform Penalty and Interest Act from the date when such tax becomes past due until such tax is paid or a judgment therefor is obtained by the Department. Interest shall be simple interest calculated on a daily basis. Interest shall accrue upon tax and penalty due. [35 ILCS 735/3-2(c)] (See 86 Ill. Adm. Code 700.200, Interest Paid and Interest Charged, 86 Ill. Adm. Code 700.210, Interest Rate Calculation, and 86 Ill. Adm. Code 700.220, Interest Charged Taxpayers.)*

- b) *If the time for making or completing an audit of a taxpayer's books and records is extended with the taxpayer's consent, at the request of and for the convenience of the Department, beyond the date on which the statute of limitations upon the issuance of a notice of tax liability by the Department otherwise would run, no interest shall accrue during the period of such extension or until a Notice of Tax Liability is issued, whichever occurs first. (Section 5 of the Act)*

(Source: Amended at 24 Ill. Reg. 15104, effective October 2, 2000)